SAN FRANCISCO-OAKLAND, CA

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
95.5%	$3,032	25.2%
UP 50 BPS YOY	UP 3.6% YOY	UNCHANGED YOY

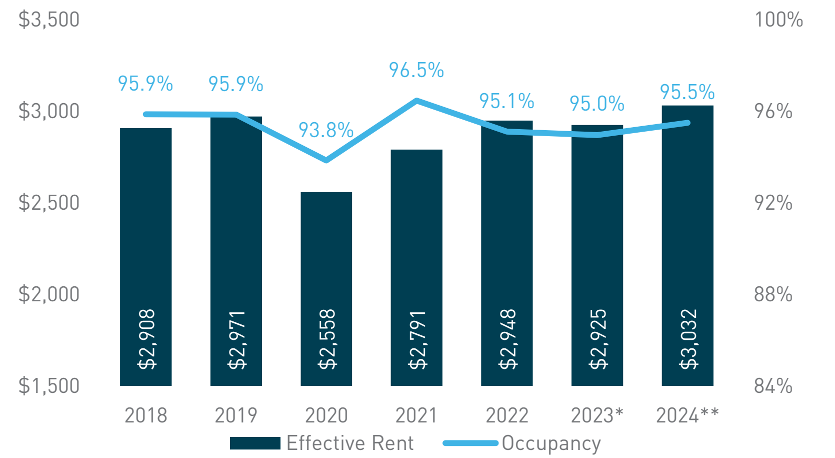
Pandemic Exodus Reversal Boosts San Francisco-Oakland Apartment Market

The pandemic flight from the Bay Area showed signs of reversing last year and is expected to continue in 2024. Pandemic restrictions and a growing remote work environment spurred more than 178,900 people to move out of the San Francisco-Oakland metropolitan area than moved in from 2020 through 2022. Last year saw many large employers push for a return to the office. This move has contributed to increased demand for housing in surrounding areas and helped to stabilize apartment occupancy amid sustained deliveries. The economic growth extended beyond white-collar jobs, as the leisure and hospitality industry recovered amid regained momentum for tourism levels. The metro experienced an uptick in domestic and international travelers during 2022 and is projected to reach 23.9 million visitors in fiscal year 2023, according to the San Francisco Travel Association. The heightened pace of travel to the Bay Area are expected to result in leisure and hospitality employment gains during 2024. The industry is forecast to expand by 13,300 net new jobs, leading all employment sectors. The low- to high-wage job creation will benefit apartment operators across all product classes as renters are forecast to sign 9,364 net new leases than move out. Net absorption is expected to outpace the 7,139 units set to come online in 2024, contributing to a 50-basis-point increase in average occupancy. At the same time, a 3.6% growth in rental rates is expected by the close of 2024.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

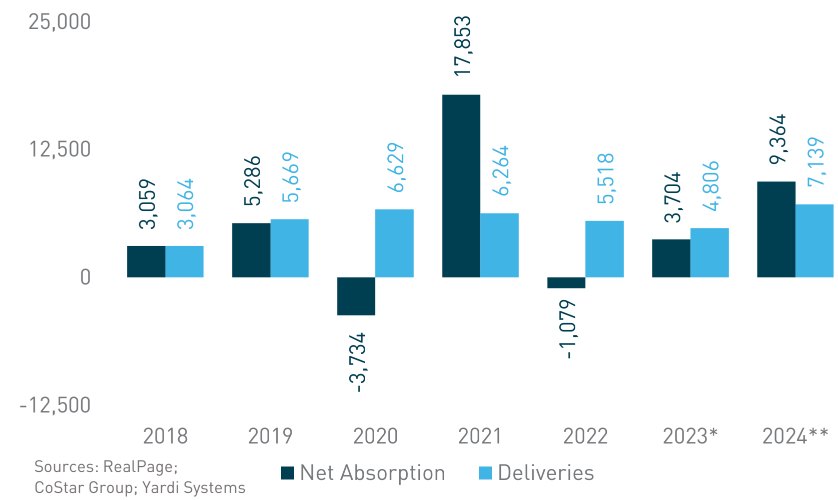


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries



Sources: RealPage; CoStar Group; Yardi Systems

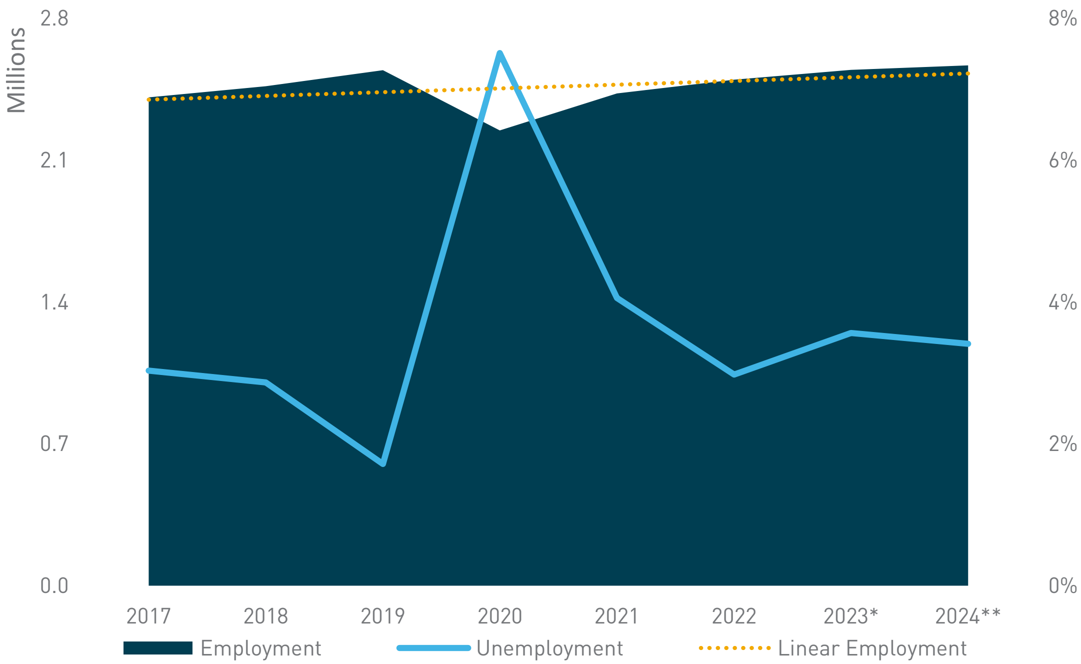
*Projected **Forecast

SAN FRANCISCO-OAKLAND, CA

BERKADIA

EMPLOYMENT TRENDS

Market Employment Trends

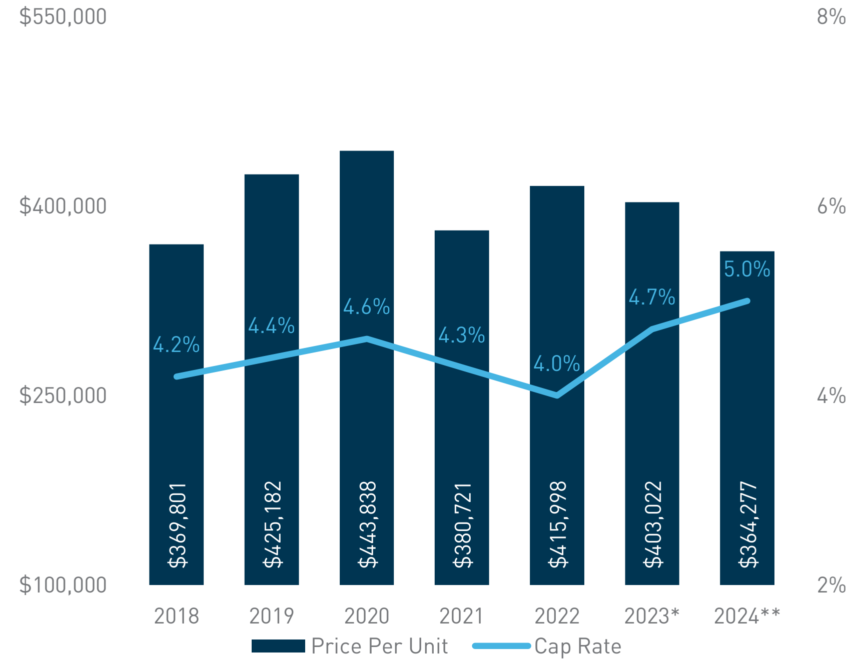


Source: Moody's Analytics

*Projected **Forecast

SALES TRENDS

Price Per Unit & Cap Rate



Sources: Berkadia; CoStar Group; MSCI

*Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2024)	UNEMPLOYMENT (DEC. 2024)	MEDIAN HOUSEHOLD INCOME (DEC. 2024 SAAR)	PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
2,568,400	3.4%	$144,435	$364,277	5.0%
UP 0.9% YOY	DOWN 20 BPS YOY	UP 3.6% YOY	DOWN 9.6% YOY	UP 30 BPS YOY